

CASA of Terrebonne, Inc.



Financial Statements

As of and for the Year Ended December 31, 2014



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CASA OF TERREBONNE, INC.

Financial Statements
As of and for the year ended December 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
CASA of Terrebonne, Inc.

We have audited the accompanying financial statements of CASA of Terrebonne, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

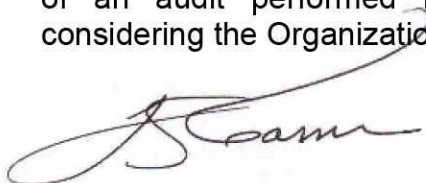
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CASA of Terrebonne, Inc. as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 13, the schedule of income and expenses by grant on page 14, and the schedule of compensation, benefits, and other payments to agency head or chief executive officer on page 15 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2015, on our consideration of the Organization's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance.



Thibodaux, Louisiana
June 22, 2015

Financial Section

CASA OF TERREBONNE, INC.
Statement of Financial Position
December 31, 2014

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 375,199
Grants receivable - TANF	21,099
Grants receivable - UPS Foundation	5,000
Prepaid insurance	9,721
TOTAL CURRENT ASSETS	411,019

PROPERTY AND EQUIPMENT:

Furniture & equipment	22,558
Accumulated depreciation	(5,722)
TOTAL PROPERTY & EQUIPMENT	16,836

OTHER ASSETS:

Deposits	500
TOTAL OTHER ASSETS	500

TOTAL ASSETS	\$ 428,355
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	\$ 6,314
Accrued compensated absences	3,957
Short term portion of long term obligations	1,525
TOTAL CURRENT LIABILITIES	11,796

LONG TERM LIABILITIES:

Capital lease obligation	4,240
TOTAL LONG TERM LIABILITIES	4,240

NET ASSETS:

Unrestricted	381,500
Temporarily restricted	30,820
TOTAL NET ASSETS	412,320

TOTAL LIABILITIES & NET ASSETS	\$ 428,355
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The accompanying notes are an integral part of this financial statement.

CASA OF TERREBONNE, INC.
Statement of Activities
For the Year Ended December 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT:			
Fund-raising activities	\$ 68,604		\$ 68,604
Donations	30,506		30,506
Interest income	521		521
Other income	7,489		7,489
Grant income	15,000	\$ 264,824	279,824
Satisfaction of restrictions	<u>262,484</u>	<u>(262,484)</u>	<u>-</u>
Total revenue and other support	384,603	2,340	386,943
EXPENSES:			
Program services:			
Court appointed special advocate	261,710		261,710
Support services:			
General and administrative	66,835		66,835
Fund-raising expense	<u>12,373</u>		<u>12,373</u>
Total support services	79,208		79,208
Total expenses	<u>340,918</u>		<u>340,918</u>
INCREASE (DECREASE) IN NET ASSETS	43,685	2,340	46,025
NET ASSETS AT BEGINNING OF YEAR	<u>337,815</u>	<u>28,480</u>	<u>366,295</u>
NET ASSETS AT END OF YEAR	<u>\$ 381,500</u>	<u>\$ 30,820</u>	<u>\$ 412,320</u>

The accompanying notes are an integral part of this financial statement.

CASA OF TERREBONNE, INC.
Statement of Cash Flows
For the Year Ended December 31, 2014

Cash flows from operating activities

Increase in net assets	\$ 46,025
Adjustments to reconcile net assets to net cash provided by operating activities:	
Depreciation	3,976
Changes in assets and liabilities:	
(Increase) decrease in grants receivable	(5,605)
(Increase) decrease in prepaid insurance	(290)
(Increase) decrease in deposits	-
Increase (decrease) in accounts payable	3,081
Increase (decrease) in payroll liabilities payable	-
Increase (decrease) in compensated absences payable	<u>(2,851)</u>

Net cash provided by operating activities \$ 44,336

Cash flows from investing activities

Loss on the disposal of capital assets	84
Purchase of equipment	<u>(10,977)</u>

Net cash provided (used) in investing activities \$ (10,893)

Cash flows from financing activities

Financing received on asset purchase	6,493
Payments made on capital lease obligation	<u>(1,992)</u>

Net cash provided (used) in financing activities 4,501

Net increase (decrease) in cash and cash equivalents 37,944

Cash and cash equivalents

Beginning of year:	
Capital One Checking	61,136
Capital One Donation acct	100
Paypal account	140
Business First Money Market	<u>275,878</u>
Total cash and equivalents at beginning of year	<u>\$ 337,254</u>

End of year:

Capital One Checking	48,556
Capital One Donation account	100
Paypal account	140
Business First Money Market	<u>326,403</u>
Total cash and equivalents at end of year	<u>\$ 375,199</u>

The accompanying notes are an integral part of this financial statement.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2014

INTRODUCTION

CASA of Terrebonne, Inc. (a nonprofit organization) is a member of the National Court Appointed Special Advocate Association. Their mission is to be an independent and objective presence in the courts and to speak for the best interests of abused and neglected children of Terrebonne Parish. CASA promotes and supports trained community volunteers to represent children and help secure for each child a nurturing, safe, and permanent home.

NOTE I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described to enhance the usefulness of the financial statements to the reader. The financial statements of the CASA of Terrebonne, Inc. (a nonprofit organization) have been prepared on the accrual basis; therefore, certain revenues and the related assets are recognized when awarded rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. These policies have been consistently applied in the preparation of the financial statements. The corporation has no capital stock.

A. BASIS OF PRESENTATION

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit organizations*, which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the organization is required to present a statement of cash flows.

B. USE OF ESTIMATES

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

C. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, CASA considers all highly liquid debt instruments purchased with an original maturity of ninety days or less to be cash equivalents. There were no restricted cash equivalents at year-end.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2014

D. PROPERTY AND EQUIPMENT

Property and equipment purchased with an original cost of \$500 or more are reported at historical cost. Donations of property and equipment are recorded as support at their estimated fair value as of the date received. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over their estimated useful lives as follows:

Equipment & furniture	5-7 years
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E. REVENUE RECOGNITION

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Grant revenue is recognized as it is earned in accordance with approved contracts.

F. ADVERTISING

Advertising costs are expensed when incurred.

G. INCOME TAX STATUS

CASA of Terrebonne, Inc. is exempt from federal income tax under Section 501 (C) (3) of the Internal Revenue Code. In addition, the organization qualifies for the charitable contribution deduction under section 170 (b) (1) (A) and has been classified as an organization that is not a private foundation under Section 509 (a) (2). Accordingly, no provision for income taxes is made in the financial statements.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2014

H. NATURE OF ACTIVITIES

CASA of Terrebonne, Inc. is a nonprofit organization that provides trained volunteers as court appointed special advocates to serve as liaisons between the courts and children placed in foster care. The Organization is primarily supported through donor contributions, grants, and fund-raising events. Approximately 72% of the Organization's support was from grants.

I. EXPENSE ALLOCATION

The costs of providing the program and other activities have been summarized on a functional basis in the Statement of Activities. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

J. CONTRIBUTED FACILITIES AND SERVICES

Donated services are recognized as contributions in accordance with SFAS No. 116, "Accounting for Contributions Received and Contributions Made", if the services (a) create or enhance nonfinancial assets or (b) required specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Many individuals volunteer their time and perform a variety of tasks that assist the Organization with the advocacy program throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under SFAS No. 116 were not met.

K. VACATION AND SICK LEAVE

Eligible employees will be granted paid vacation on the employee's anniversary date of each calendar year according to the following schedule.

Six months to one year	5 days
Two to five years	10 days
Six years and up	15 days

An employee becomes eligible to receive vacation benefits when they have successfully completed the six months of continuous employment.

Unused vacation leave may be carried over up to 120 hours. Upon separation, employees will be compensated for any unused vacation leave, paid at the current salary, which is not to exceed eighty hours.

Eligible employees will be granted 40 hours per year sick leave after three months of employment. 40 hours of sick leave will be granted each year on the employee's anniversary date. Sick leave is not accrued nor paid upon separation.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2014

L. SUBSEQUENT EVENTS

The subsequent events of the organization were evaluated through the date of the financial statements were available to be issued (June 22, 2015).

NOTE II CONCENTRATION OF RISK

CASA's primary sources of support are from grants awarded by the state. Management is always seeking funding for the upcoming years through renewals of current grants as well as by applying for new grants; however, in the event the Organization is unable to secure additional funding, the financial position of the Organization could be significantly impacted.

The organization's support through state grants totaled 68% of total revenue for the year ended December 31, 2014.

NOTE III CASH AND CERTIFICATES OF DEPOSIT

Cash and Certificates of deposit (book balances) consisted of the following at December 31, 2014:

	Carrying value & Fair value	Interest Rate	Maturity Date
Capital One - Checking	\$ 48,556	N/A	N/A
Capital One - Donation account	100	N/A	N/A
PayPal account	140	N/A	N/A
Business First - Money Market	326,403	0.18%	N/A
Total Cash and Cash Equivalents	<u>\$ 375,199</u>		

At year-end, CASA had cash (collected bank balances) totaling \$375,970. These deposits are stated at cost, which approximates market. The Capital One and Business First deposits are secured from risk up to \$250,000 by federal depository insurance. The balance left unsecured in these two accounts is \$76,403. The \$140 balance of the PayPal account is unsecured as it is not covered by FDIC.

NOTE IV PROPERTY AND EQUIPMENT

Property and Equipment at December 31, 2014, consisted of the following:

Equipment	\$22,558
Accumulated Depreciation	<u>(5,722)</u>
Net	<u>\$16,836</u>

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2014

Depreciation expense for the year ended December 31, 2014 was \$3,976.

NOTE V OPERATING LEASE

CASA of Terrebonne entered into a commercial lease for its office space on December 9, 2012, for a term of two years beginning January 1, 2013. This lease secured office space for the administrative office. Rent is \$1,900 monthly, payable on the first of the month. Electricity and water utilities are included in rent.

Rent expense for the year ended December 31, 2014, was \$22,800.

There is no minimum commitment for the remainder of this agreement as the lease expired December 31, 2014.

A new lease agreement was signed December 22, 2014 for two years beginning January 1, 2015. Rent is \$1,900 monthly, payable on the first of the month. Electricity and water utilities are included in rent.

NOTE VI CAPITAL LEASE OBLIGATIONS

On July 1, 2009, CASA entered into a lease agreement for a copier. The agreement was for 60 months, ending June 2014. Monthly payments were \$220.58. At the end of the lease, CASA returned the copier and entered into another lease agreement for a new copier. The agreement is for 48 months ending June 2018. Monthly payments of \$152.60. Maintenance and supplies are billed separately each quarter.

At year end, the minimum commitment for the remainder of this agreement, 42 months, is \$6,409.

NOTE VII NET ASSETS

As required by SFAS No. 117, net assets have been reclassified into three categories: unrestricted, temporarily restricted, and restricted. The reclassification is as follows:

Unrestricted	\$ 381,500
Temporarily Restricted	<u>30,820</u>
Total Net Assets	<u>\$ 412,320</u>

Temporarily restricted net assets are use restrictions for operating activities for future use. At year end, this is made up of TANF grant receivables and prepaid insurance.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2014

NOTE VIII BOARD COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation was paid to any board member for the year ended December 31, 2014.

NOTE IX LITIGATION AND CLAIMS

At December 31, 2014, CASA had no litigation or claims pending.

Supplementary Information

CASA OF TERREBONNE, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2014

	PROGRAM SERVICES	SUPPORT SERVICES			
	Court Appointed Special Advocate	Management and General	Fund- raising	Total Support Services	Total Expenses
Salaries & fringe benefits	\$ 204,392	\$ 36,022		\$ 36,022	\$ 240,413
Supplies	3,582	1,007		1,007	4,590
Training	3,293	670		670	3,963
Operating expense	32,627	166		166	32,793
Insurance - property & liability	5,535	6,717		6,717	12,252
Printing	2,219	33		33	2,253
Professional fees	4,308	8,149		8,149	12,457
Travel	5,754	2,652		2,652	8,406
Volunteer & staff appreciation	-	7,110		7,110	7,110
Small furniture & equipment	-	-		-	-
Depreciation expense	-	3,976		3,976	3,976
Interest expense	-	247		247	247
Loss on disposition of assets	-	84		84	84
Fund-raising expense	-	-	\$ 12,373	12,373	12,373
TOTAL	\$ 261,710	\$ 66,835	\$ 12,373	\$ 79,208	\$ 340,918

CASA OF TERREBONNE, INC.
Schedule of Income and Expenses by Grant
For the Year Ended December 31, 2014

	TANF 2013/2014	TANF 2014/2015	Corporate Grants	Total
REVENUE				
Grant appropriations	\$ 132,246	\$ 132,578	\$ 15,000	\$ 264,824
EXPENSES				
Training	1,913	1,380		3,293
Operating expense	16,585	16,041		32,627
Printing	1,654	565		2,219
Professional fees	1,551	1,057	1,700	4,308
Salaries & benefits	103,228	101,164		204,392
Supplies	1,758	1,824		3,582
Insurance	2,500	3,035		5,535
Travel	5,389	365		5,754
Total cost	<u>\$ 134,578</u>	<u>\$ 125,431</u>	<u>\$ 1,700</u>	<u>\$ 261,710</u>

Notes:

This schedule is prepared using the full accrual method of accounting.

CASA OF TERREBONNE, INC.**Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer****For the Year Ended December 31, 2014****Agency Head Name:** Laci Melancon, Executive Director (1/1/14 to 9/12/14)

Purpose	Amount
Salary	\$36,764
Benefits-insurance	0
Benefits-retirement	0
Benefits-other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	249
Travel	0
Registration fees	0
Conference travel	474
Continuing professional education	0
Housing	0
Unvouchered expenses*	0
Special meals	0

Nicole Wesley, Executive Director (9/15/14 to 12/31/14)

Purpose	Amount
Salary	\$13,125
Benefits-insurance	0
Benefits-retirement	0
Benefits-other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	1,335
Travel	239
Registration fees	0
Conference travel	180
Continuing professional education	0
Housing	0
Unvouchered expenses*	0
Special meals	0

Other Reports

CASA OF TERREBONNE, INC.
Summary Schedule of Prior Year Findings
For the Year Ended December 31, 2014

Section I – Internal Control and Compliance material to the financial statements:

Ref. No. 1213-01 – Lack of Segregation of Duties

Description of Finding

A material weakness exists in internal controls due to the size of the CASA of Terrebonne's operation. Its limited staff precludes an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

Corrective Action Taken

No corrective action was taken.

Ref. No. 1213-02 - Inadequate Controls over Financial Statement Preparation

Description of Finding

A material weakness exists in financial reporting because the CASA of Terrebonne does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Corrective Action Taken

Management has evaluated the cost versus benefit of hiring a person who has the qualifications and training to apply generally accepted accounting principles in the preparation of financial statements, including conversion of the financial statements from the cash to accrual basis of accounting. Management has determined that it is in the best interest of CASA at this time, to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them. Management understands that it accepts final responsibility for the financial statements content and presentation.

Section II – Management Letter

There was no management letter issued.

CASA OF TERREBONNE, INC.
Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2014

Section I – Internal Control and Compliance material to the financial statements:

Ref. No.

1412-01

Description of Finding

Inadequate Segregation of Duties

The size of the CASA of Terrebonne, Inc.'s operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

This is a common deficiency noted in audits of small entities. The Organization does not employ enough people in its accounting department to adequately segregate duties such as approving purchase orders, approving invoices for payment, printing checks, recording checks, signing checks, mailing checks, and reconciling bank statements. This is one example of the circumstances that resulted in the reportable condition.

Corrective Action Planned

No corrective action is taken because this deficiency cannot be remedied in a cost effective manner.

Name of Contact Person

Nicole Wesley, Executive Director

Anticipated Completion Date

None

CASA OF TERREBONNE, INC.
Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2014

Ref. No.

1412-02

Description of Finding

Inadequate Controls over Financial Statement Preparation

A material weakness exists in financial reporting because the CASA of Terrebonne does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Corrective Action Plan

Management has evaluated the cost versus benefit of hiring a person who has the qualifications and training to apply generally accepted accounting principles in the preparation of financial statements. Management has determined that it is in the best interest of the Organization at this time, to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them. Management understands that it accepts final responsibility for the financial statements content and presentation.

Name of Contact Person

Nicole Wesley, Executive Director

Anticipated Completion Date

None

Section II – Management Letter

A management letter was issued. See page 19.



MANAGEMENT LETTER

To the Board of Directors
CASA of Terrebonne, Inc.
Houma, Louisiana

During our audit of the financial statements of the CASA of Terrebonne, Inc. (the Organization) for the year ended December 31, 2014, we noted certain areas in which improvements in the accounting system and financial practices of the Organization should be considered.

- (1) Monitor Account Balances for FDIC Coverage: Balances held in the Business First Money Market account are in excess of amounts insured by FDIC. Management should monitor account balances with regards to FDIC limits, currently (\$250,000) and take action to reduce the risk to the Organization by transferring funds to another FDIC insured institution.
- (2) Reconciling All Bank Accounts Timely: During the audit, it had come to my attention that there were times when the bank accounts were not reconciled timely, within 30 days of the bank statement being received. Additionally, the PayPal account had not been reconciled at all during 2014. Management should remind the necessary parties of the importance of reconciling all bank accounts in a timely matter.
- (3) Required 1099s Not Issued: During the audit, it came to my attention that the 1099-MISC forms required to be issued, by the IRS, had not been filed. Management should adopt a policy whereby the amounts paid to vendors is analyzed and any required IRS Forms 1099-MISC are submitted to both the vendors and IRS by the deadline each year.
- (4) Gift Cards Not Considered De Minimis Fringe Benefits: During the audit, it came to my attention that employees received, as a Christmas gift, a \$50 gift card each. The amount of the gift cards were not included, as taxable wages, on the employees' Form W-2. Gift cards, of any amount, are not excluded from taxable wages as a de minimis fringe benefit; therefore, management should adopt a policy whereby any cash or cash equivalent gifts be included as taxable wages and reported on the employee's Form W-2, in compliance with IRS code and regulations.

We would like to express our appreciation to you and your staff, particularly your executive director, for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions, or need assistance, please feel free to contact us.

A handwritten signature in dark ink, appearing to read "T.S. Kearns".

Thibodaux, Louisiana
June 22, 2015



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board
CASA of Terrebonne, Inc.
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of CASA of Terrebonne, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the CASA of Terrebonne's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CASA of Terrebonne's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying corrective action plan for current year findings, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of current year findings and questioned costs to be material weaknesses, 1412-01 and 1412-02.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be significant deficiencies. However, significant deficiencies or material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CASA of Terrebonne's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

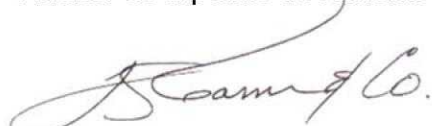
CASA of Terrebonne's Response to Findings

CASA of Terrebonne's response to the findings identified in our audit is described in the accompanying corrective action plan for current year findings. CASA of Terrebonne's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Thibodaux, Louisiana
June 22, 2015